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February 18, 2011

VIA ELECTRONIC FILING AND HAND DELIVERY

The Honorable Jocelyn G. Boyd Chief Clerk/Administrator **Public Service Commission of South Carolina** 101 Executive Center Drive (29210) Post Office Drawer 11649 Columbia, South Carolina 29211

RE: Annual Review of Base Rates for Fuel Rates of South Carolina Electric & Gas

Company; Docket No. 2011-2-E

Dear Ms. Boyd:

Please find enclosed for filing the Direct Testimony and Exhibits of Rose M. Jackson, George A. Lippard, Allen W. Rooks, Michael D. Shinn, and Joseph K. Todd on behalf of South Carolina Electric & Gas Company ("SCE&G") in the above-captioned matter.

SCE&G is filing both confidential and public versions of the Direct Testimony of Michael D. Shinn. The confidential information is on pages 6, 7, and 16 and has been redacted from the public version of Mr. Shinn's testimony (marked as "Public Version"). The confidential version of Mr. Shinn's testimony has been marked as the "Confidential Version."

SCE&G asserts that the Confidential Version of Mr. Shinn's testimony uses, discusses, references or otherwise incorporates information which is proprietary, commercially and/or competitively sensitive, confidential and trade secrets ("Confidential Information"). More specifically, portions of the confidential testimony of Company Witness Michael D. Shinn address issues including, but not limited to, projected coal supplies and prices, SCE&G's existing coal contracts, and the Company's expected coal needs for generation in the review period for 2012. Based upon SCE&G's experience, the disclosure of the Company's projected coal needs, as well as its expectations concerning the future availability and prices of coal could create a competitive disadvantage for SCE&G in negotiating its future coal contracts. Consequently, the public release of this information could adversely affect the Company's ability to enter into arms-length transactions with its coal vendors, resulting in the potential for less favorable terms and prices for SCE&G and its customers. Therefore, SCE&G submits that this

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testimony constitutes confidential information that is proprietary, commercially and/or competitively sensitive or confidential or in the nature of a trade secret. The Company further asserts that affording confidential treatment of this testimony is in the public interest and in accord with the Freedom of Information Act, S.C. Code Ann. Section 30-4-10 *et seq.* and the Commission's regulations.

SCE&G hereby requests that the Public Service Commission of South Carolina (the "Commission") find that the Confidential Version of Mr. Shinn's testimony contains protected confidential information and that the Commission issue a protective order barring the disclosure of the confidential information under the Freedom of Information Act, S.C. Code Ann. §§ 30-4-10 et seq., S.C. Code Ann. Regs. 103-804(S)(1), or any other provision of law, except in its public form. Pursuant to S.C. Code Ann. Regs. 103-804(S)(2), the determination of whether a document may be exempt from disclosure is within the Commission's discretion.

To this end, and in accordance with Commission Order No. 2005-226, dated May 6, 2005, in Docket No. 2005-83-A, we enclose with this letter a redacted version of the Direct Testimony of Michael D. Shinn that protects from disclosure the competitively sensitive information, while making available for public viewing non-protected information. Contemporaneous with the electronic filing, we also file via hand delivery the original of the unredacted Confidential Version of the Direct Testimony of Michael D. Shinn in a separate, sealed envelope. The Company respectfully requests that, in the event that anyone should seek disclosure of this unredacted testimony, the Commission notify SCE&G of such request and provide it with an opportunity to obtain an order from this Commission or a court of competent jurisdiction protecting the testimony from disclosure.

In relation to this request for confidential treatment of the Confidential Version of the Direct Testimony of Michael D. Shinn, SCE&G is enclosing the following:

- (1) A true and correct copy of the Confidential Version of the Direct Testimony of Michael D. Shinn, in a sealed envelope marked "CONFIDENTIAL."
- (2) A copy of the redacted Public Version of the Direct Testimony of Michael D. Shinn for filing and public disclosure.

By copy of this letter, we are also serving the other parties of record with a public copy of the enclosed testimony. Additionally, we are providing to the parties of record who have executed a confidentiality agreement with SCE&G a copy of the Confidential Version of the testimony.

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If you have any questions regarding these matters, please do not hesitate to contact me.

Very truly yours,

K. Chad Burgess

KCB/kms Enclosures

cc: Courtney D. Edwards, Esquire

Jeffrey M. Nelson, Esquire

(both served with public versions of the Direct Testimony via electronic mail, and with the Confidential Version of the Direct Testimony of Michael D. Shinn via hand delivery)

Scott Elliott, Esquire Debra S. Tedeschi, Esquire Damon E. Xenopoulos, Esquire

(all served with public versions of the Direct Testimony via electronic mail)

BEFORE

THE PUBLIC SERVICE COMMISSION OF

SOUTH CAROLINA

DOCKET NO. 2011-2-E

IN RE.	
)	
South Carolina Electric & Gas Company)	
Annual Review of Base Rates for Fuel Costs)	CERTIFICATE
,)	OF SERVICE
)	

DIDE.

This is the certify that I have caused to be served this day a copy of South Carolina Electric & Gas Company's Direct Testimony of Rose M. Jackson, George A. Lippard, Allen W. Rooks, Michael D. Shinn, and Joseph K. Todd to the persons named below at the addresses set forth and in the manner described:

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Karen M. Scruggs

Columbia, South Carolina

This 18th day of February 2011